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October 13, 1992 OCT 13 1992

Federal Communications Commission
Office of the Secretary

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
Room 222
1919 M Street, N.W.
Washington, D.C. 20554

Re: Amendment of Parts 65 and 69 of
the Commission's Rules to Reform
the Interstate Rate of Return
Represcription and Enforcement
Processes

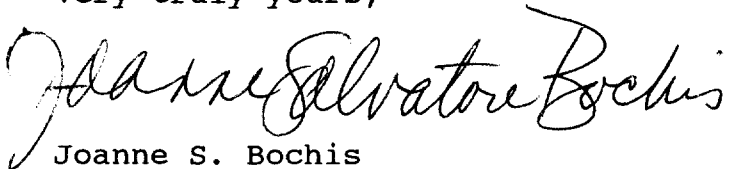
CC Docket No. 92-133

Dear Ms. Searcy:


Enclosed herewith for filing with the Commission are the original and nine copies of the National Exchange Carrier Association, Inc.'s Reply Comments in the above-captioned matter.

Please acknowledge receipt hereof by affixing a notation on the duplicate copy of this letter furnished herewith for such purposes and remitting same to bearer.

Very truly yours,


Joanne S. Bochis

JSB/bas
Enclosures

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OCT 13 1992

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

Federal Communications Commission
Office of the Secretary

In the Matter of:

Amendment of Parts 65 and 69 of
the Commission's Rules to Reform
the Interstate Rate of Return
Processes

CC Docket No. 92-133

REPLY COMMENTS OF THE
NATIONAL EXCHANGE CARRIER ASSOCIATION, INC.

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October 13, 1992

SUMMARY

The National Exchange Carrier Association, Inc. (NECA) is submitting these Reply Comments in response to the Commission's Notice of Proposed Rulemaking in CC Docket No. 92-133, Amendment of Parts 65 and 69 of the Commission's Rules to Reform the Interstate Rate of Return Represcription and Enforcement Processes. NECA and many other commenters in this proceeding strongly advocate the retention of the unitary rate of return based upon Bell Operating Company data for interstate access services. The use of BOC data, which is readily available and statistically acceptable, furthers the Commission objective in this proceeding to reduce unnecessary regulatory burdens on all parties.

NECA and other commenters support the following modifications to the rate of return enforcement mechanisms: current tariff review and complaint processes are adequate, and would not be improved by an automatic refund rule; the Commission should apply the authorized rate of return on a total interstate access basis for all rate of return exchange carriers, including the NECA pools; the Commission should adopt a 100 basis point buffer zone for total interstate access earnings enforcement and there should be at least a two-year monitoring period for traditional rate of return exchange carriers, including the NECA pools.

In addition, NECA supports the USTA proposal for a semi-automatic trigger mechanism that would lead to commencement of a represcription after a 150 basis point shift in the six-month moving average of Moody's Aa public utility bond (long term)

yields, that lasts for six consecutive months, commencing after the completion of this rulemaking. NECA also supports USTA's proposal that BOC Form M data be used to calculate a composite BOC capital structure and cost of debt for use in rate of return represcriptions. NECA also remains willing to assist the Commission, as it deems necessary, in data-gathering for the new rate of return procedures.

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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

Federal Communications Commission
Office of the Secretary

In the Matter of:

Amendment of Parts 65 and 69 of
the Commission's Rules to Reform
the Interstate Rate of Return
Represcription and Enforcement
Processes

CC Docket No. 92-133

REPLY COMMENTS

The National Exchange Carrier Association, Inc. (NECA) submits these Reply Comments in response to the Commission's Notice of Proposed Rulemaking in the above captioned proceeding.¹ NECA is a not-for-profit corporation serving every local exchange carrier study area in the United States, Puerto Rico and the U.S Virgin Islands. Each of these over 1400 member study areas is subject to the rate of return procedures under review in this proceeding.

I. BACKGROUND

On September 11, 1992, NECA and thirty-eight other parties filed comments on the Commission's Notice which proposes to simplify the interstate access rate of return represcription process.² NECA stated that it supports simplifying this complex

¹ Amendment of Parts 65 and 69 of the Commission's Rules to Reform the Interstate Rate of Return Represcription and Enforcement Processes, Notice of Proposed Rulemaking and Order, CC Docket No. 92-133, 7 FCC Rcd 4688 (1992) (Notice).

² See Appendix A for a list of all commenting parties and the abbreviated references used throughout this filing.

process, as long as the primary objective, i.e., determining the proper rate of return level, is not compromised.

NECA's Comments demonstrated that the unitary rate of return based upon Bell Operating Company (BOC) data remains a necessity for the exchange carrier (EC) industry. BOC data, unlike data from smaller companies, is readily available, is generally statistically more robust, and is better suited for empirical use. Further, the collection and use of smaller company data for rate of return representations is contrary to a critical objective of this proceeding -- to reduce unnecessary regulatory burdens on all parties.

NECA also recommended that the unitary rate of return be applied at a total interstate access level, to best address the reasonable needs of the NECA pools. Approximately 94 percent of the industry is already subject to total interstate monitoring via price cap regulation, and the recently initiated regulatory reform proceeding proposes to apply total interstate access monitoring to those exchange carriers that elect an optional incentive plan.³ Applying the authorized rate of return at a total interstate access level would help to achieve earnings stability within the NECA pools, an important objective of the many small company members. The earnings volatility experienced by the pools for years under the current rate of return system results from the difference between actual costs and demand, submitted during and after the

³ See Regulatory Reform for Local Exchange Carriers Subject to Rate of Return Regulation, Notice of Proposed Rulemaking, CC Docket No. 92-135, 7 FCC Rod 5023 (1992) (Small/Mid-Size Notice).

tariff period, relative to forecasts used in establishing access rates.

NECA also stated that applying the prescription only at the total interstate access level would not completely address the earnings variability experienced by NECA pool participants, which has been demonstrated to be greater than that of the industry as a whole.⁴ NECA's analysis shows an expansion of the current 25 basis point earnings zone to 100 basis points for total interstate access earnings will better address the pools' earnings volatility.

In its Comments, NECA recommended that at least a two-year monitoring period should remain for the NECA pools; established that ratepayers are fully protected by the tariff review and complaint processes; and stated that NECA is willing to assist the Commission with its rate of return data-gathering effort.

In these Reply Comments, NECA acknowledges extensive support by other commenters for its proposals, responds to comments opposed to NECA's positions and supports industry proposals for rate of return represcription triggers and cost of capital methodologies.

II. COMMENTERS AND NECA CONTINUE TO SUPPORT THE UNITARY RATE OF RETURN FOR INTERSTATE ACCESS SERVICES BASED UPON BELL OPERATING COMPANY DATA.

None of the commenters opposed the retention of the unitary rate of return. Commenters overwhelmingly agreed that this fundamental principle remains essential to the telecommunications industry, and that it should be based upon Bell Operating Company

⁴ See NECA's Comments at 10-11.

(BOC) data.⁵ OPASTCO "recommends that information provided by the Bell Operating Companies (BOCs) be used as the basis for calculating the unitary rate of return" and further states that "[t]he BOCs provide a readily available source of information which will prove a stable, reliable basis for calculating the unitary rate of return."⁶ NTCA quotes the Commission's endorsement that the prescription of a single rate of return for exchange carriers' interstate services "best balances administrative ease with fairness."⁷

NTCA also stresses that "the maintenance of a unitary ROR is likewise implicit in the Unity 1-A Agreement principles and the access charge rules which incorporate Unity 1-A principles."⁸ Considering the historical significance and current need for the unitary rate of return, NECA recommends that the Commission's final action in this proceeding should continue the policy of prescribing the unitary rate of return for interstate access services.

⁵ See ALLTEL at 1-2; Bell Atlantic at 1; BellSouth (endorsing USTA) at 1; Casco at 1; CBT at 1; Community Service at 1; Delhi Telephone at 1; Frederick & Warinner at 2; LaHarpe Telephone at 1; Lexington Telephone at 1; Mid-Iowa Telephone Co-op at 1; NTCA at 2-4; Nebraska Central Telephone at 1; Nicholville Telephone at 1; OPASTCO at 2; Pacific Companies (endorsing USTA) at 1; Roanoke and Botetourt Telephone at 1; Rural Telephone at 1; Shenandoah at 1; SNET at 2; SWBT (endorsing USTA) at 1; Topsham Telephone at 1; USTA at 4-6; UTELCO at 1; Van Horne Telephone at 1 and Wisconsin State Telephone Association at 2.

⁶ OPASTCO at 3.

⁷ NTCA at 3 and note 5.

⁸ Id.

III. COMMENTERS AND NECA AGREE ON MODIFICATIONS TO RATE OF RETURN REGULATION'S ENFORCEMENT MECHANISMS.

III.A. Commenters Agree that the Tariff Review and Complaint Processes are Effective Enforcement Mechanisms that Will Serve the Ratepayers.

Numerous commenters and NECA agree that tariff review and complaint processes will fully protect ratepayers of interstate access services.⁹ Rochester, for example, states "[t]he tariff review and complaint procedures, moreover, constitute sufficient tools for the Commission to ensure compliance with its rate of return prescriptions".¹⁰

MCI is the only commenter arguing for preserving automatic refunds. MCI states "the tariff review and formal complaint processes will be extremely unwieldy and inefficient tools for enforcing the ROR prescription . . . [i]ndeed, forcing ratepayers to fend for themselves in such a manner will virtually guarantee that ROR prescription violations on the part of non-price cap ECs will generally go unremedied".¹¹ MCI would have the Commission maintain the court-overturned automatic refund rules as opposed to reliance on tariff review and complaint processes.¹² MCI also recommends that "[a]lthough the automatic refund rule previously permitted the

⁹ In support of tariff review and complaint processes in lieu of Part 65 automatic refund rules for earnings enforcement see BellSouth at 8; NTCA at 7; OPASTCO at 4; and Rochester at 40. Parties explicitly opposing the application of an automatic refund rule were Bell Atlantic at 4, Centel at 17, Rochester at 35, and USTA at 72.

¹⁰ Rochester at 41.

¹¹ MCI at 30.

¹² *Id.*

LECs to make refunds either through prospective rate reductions or direct payments,[note omitted] it would be preferable to simply require direct payments to access service customers".¹³

As explained in NECA's Comments, ratepayers are fully protected and best served by the tariff review and complaint process.¹⁴ Ratepayers are protected by the Commission scrutiny that each tariff filing receives and by the interexchange carriers' vigilant monitoring of both the tariff filings and the rate of return reports for each exchange carrier. As NECA pointed out in its comments, occurrences of overearnings have been identified and addressed for many years without an automatic refund provision.¹⁵ NECA and other commenters, moreover, discuss the agency's legal obligation to take into account all relevant facts and circumstances before ordering a refund in a given case.¹⁶

There is no need for the Commission to respond at this time to MCI's preference that recognition of ECs' overearnings be on a direct refund basis as opposed to a prospective rate or revenue requirement adjustment. The precise nature of the remedy can be most effectively determined on a case-by-case basis. Promulgating a specific rule would, therefore, be an unnecessary limitation on future Commission discretion.

¹³ Id. at 33.

¹⁴ NECA at 7.

¹⁵ Id. at 7 and note 15.

¹⁶ See NECA at 7 and notes 16 and 17; Centel at 19-25 and USTA at 73.

III.B. Commenters Agree the Commission Should Apply the Authorized Rate of Return on a Total Interstate Access Basis for all Rate of Return Exchange Carriers, Including the NECA Pools.

NECA's Comments recommended that the authorized rate of return for carriers participating in NECA's revenue pools should be applied on a total interstate access basis.¹⁷ Several other commenters shared that position. Centel, for example, states "the Commission must, in order to fairly balance the ratepayers' interests with a LEC's interest in avoiding capital flight, calculate any overearnings by analyzing the aggregate rate of return on interstate access of all of the holding company's telephone operations."¹⁸ OPASTCO notes that "(a) new refund rule which calculates refunds on an overall interstate access basis is an excellent proposal," and concludes that such an approach would provide "increased stability for all small companies in the pools."¹⁹ Finally, USTA observes "(c)ategory by category refunds are not authorized under recent decisions."²⁰

Only MCI supports continuing access service category earnings monitoring.²¹ MCI suggests that "a service category refund rule would be fully responsive to the court's invitation in the Automatic Refund Decision to 'fashion . . . a refund mechanism that

¹⁷ NECA at 8-10.

¹⁸ Centel at 27.

¹⁹ OPASTCO at 4.

²⁰ USTA at 81.

²¹ MCI at 31.

does not contradict the Commission's understanding of its rate of return prescription'.²²

NECA strongly disagrees with MCI's recommendations. In rejecting the Commission's automatic refund rule, the Court stated that "[a] carrier with profitable and unprofitable business segments may easily find that making refunds on the profitable segments means that it earns less than the required minimum rate of return on its overall operations" and that "[i]ndeed the Commission itself acknowledged that requiring refunds by business segment 'may prevent a carrier from earning its overall authorized return' within a single two-year period."²³ The Court further stated that investors, "invest in a carrier as a whole, and not just in one or another of its business segments."²⁴ MCI's interpretation of the Court's Automatic Refund Decision is wrong. The Court clearly asked the Commission, on remand, to provide substantiation for any refund mechanism in light of the "constitutional doctrine that an agency rate order 'viewed in its entirety' must produce a just and reasonable 'total effect' on the regulated business."²⁵

The whole thrust of the Court's decision is to ensure equity for the parties involved. The rate of return must not be applied at too fine a level of detail or a carrier will be precluded

²² Id. at 32 quoting AT&T v. FCC 836 F. 2d 1386 (D.C. Cir 1988) (Automatic Refund Decision).

²³ AT&T v. FCC at 1391.

²⁴ Id. at 1392.

²⁵ Id.

unreasonably from balancing earnings shortfalls with overearnings to achieve authorized earnings overall. Unanticipated events, such as changes in regulatory requirements, can cause shifts in costs and revenues between NECA's Common Line and Traffic Sensitive Pools during tariff periods with consequent earnings impacts.²⁶ NECA believes that application of the rate of return at the total interstate level fully protects access customers and avoids unnecessary handicaps to ECs.

III.C. Commenters Agree the Commission Should Adopt a 100 Basis Point Buffer Zone for Total Interstate Access Earnings Enforcement.

NECA's Comments demonstrated that the NECA pools, which are subject to rate of return regulation, experience earnings fluctuations some four times greater than that experienced by the industry as a whole.²⁷ NECA showed that Common Line Pool earnings results averaged 31 basis points below authorized levels for the years 1984 through 1988 (representative of the industry when all ECs participated) and that the Traffic Sensitive Pool earnings for a period of comparable length (when only smaller ECs participated) averaged 119 points below authorized levels.²⁸ NECA therefore

²⁶ As an example, the Commission has recently indicated that it may investigate the possible "over-allocation of General Support Facilities (GSF) costs to special access" in the context of expanded interconnection of interstate special access services to all interested parties. This investigation has the potential of changing the GSF cost allocation to other Part 69 rate elements while reducing the allocation to special access.

²⁷ See NECA's Comments at 10-12.

²⁸ Id.

recommended that a 100 basis point buffer zone is warranted to recognize the greater volatility of NECA's revenue pools. Several commenters also recommended an expansion of the earnings buffers.²⁹ There were no comments opposing an expansion of the buffer zones for interstate access earnings monitoring. NECA submits that sufficient data has been provided to warrant the Commission's enlarging of the buffer zone to 100 basis points to recognize the greater earnings volatility of smaller ECs.

III.D. Commenters Agree that There Should Be at Least a Two-Year Monitoring Period for Traditional Rate of Return Exchange Carriers, Including the NECA Pools.

NECA's Comments stated NECA's revenue pools, with their documented earnings volatility, warrant continuation of at least a two-year monitoring period.³⁰ NECA believes the current two-year period for measuring earnings performance has worked well and at least a two-year period is essential if the NECA pools and other carriers subject to traditional rate of return regulation are to realize the earnings levels deemed essential by the Commission.

Other commenters stated that a two-year monitoring period was necessary³¹ and there were no proposals recommending that the monitoring period should be less than two years. Centel advocated that the Commission should measure compliance with the rate of return prescription over the term the rate is in effect.

²⁹ See Centel at 26; OPASTCO at 4 and USTA at 81.

³⁰ See NECA's Comments at 12-14.

³¹ See Centel at 26; OPASTCO at 5; and USTA at 82.

Historically, such periods have been longer than two years.³²

**IV. NECA'S RESPONSE TO COMMENTERS REGARDING RATE OF RETURN
REPRESCRIPTION TRIGGERS AND COST OF CAPITAL METHODOLOGIES.**

IV.A. NECA Supports Commenters' Proposals for a Semi-Automatic Represcription Trigger Based Upon Aa Public Utility Bond Data, and a 150 Basis Point Trigger Zone Together with a Six-Month Moving Average.

The Commission's Notice invited comment on:

its proposal "to adopt a trigger that allows [the Commission] to identify when there has been a significant change in capital markets that is likely to persist over time"; and whether such a triggering mechanism should automatically initiate a represcription proceeding or whether further analysis would be required before initiating a represcription (a semi-automatic trigger).³³

Numerous parties support the Commission's proposal that a triggering mechanism is superior to current Part 65 rules which require a represcription each second calendar year.³⁴ Most of these parties believe a semi-automatic trigger will best meet the Commission's objectives, including the primary objective of administrative simplicity.³⁵

For example, Centel stated that "[w]ith a semi-automatic

³² Centel at 26.

³³ Notice at paras. 21 and 25.

³⁴ See Bell Atlantic at 2; Casco at 2; Centel at 2; Community Service at 2; Delhi at 2; Fred Williamson at 2; Frederick & Warinner at 5; GSA at 6; LaHarpe Telephone at 2; Lexington Telephone at 2; MCI at 5; Mid-Iowa at 2; NTCA at 5; Nebraska Central Telephone at 2; Nicholville Telephone at 2; OPASTCO at 4; Roanoke & Botetourt at 2; Rochester at 15; Rural Telephone at 2; Shenandoah Telephone at 2; SNET at 3; SWBT at 1; Topsham at 2; SBA at 7; USTA at 31; UTELCO at 2; and Van Horne Coop. at 2.

³⁵ But see GSA at 6 for its support of an automatic trigger.

trigger, after the triggering events have occurred, other factors would be examined to determine whether a represcription proceeding is warranted. . . equity and debt costs rates do not necessarily move in lock-step fashion".³⁶ Frederick & Warinner stated that the adoption of a semi-automatic trigger "would provide a healthy ingredient to the process by ensuring that the need for any resulting proceeding was publicly justified and documented".³⁷

NECA concurs with USTA's support of a "semi-automatic trigger mechanism that would lead to commencement of a represcription at the time that there has been a 150 basis point shift in the six-month moving average of Aa public utility bond yields as measured by Moody's Bond Record, that lasts for six consecutive months, commencing after the completion of this rulemaking."³⁸ This measurement would serve as a bona fide signal to the Commission that a significant change in the cost of capital has occurred.

NECA recommends that the Commission disregard SBA's suggestion to base a trigger mechanism on the capital costs of the smaller ECs.³⁹ SBA's recommendation ignores two of the Commission's central objectives in this proceeding: 1) to prescribe the unitary rate of return for interstate access services and 2) to reduce regulatory burdens on all interested parties

³⁶ Centel at 4.

³⁷ Frederick & Warinner at 5.

³⁸ USTA at 33-34. These public utility bonds are long-term bonds that usually extend from twenty to thirty years.

³⁹ SBA at 7.

associated with represcribing an interstate access rate of return. As discussed below, the use of BOC Form M data strikes the best balance of prescribing the unitary rate of return representative of all ECs' interstate access services while also achieving administrative simplicity due to the easy access of such publicly available data.⁴⁰

NECA also recommends that the Commission disregard GSA's suggestions to evaluate each August that month's ten-year Treasury "bond" yield relative to the yield at the time of the last represcription and to use this benchmark to represcribe the rate of return.⁴¹ Ten-year Treasury "bond" data is not representative of long-term debt, which constitutes the overwhelming preponderance of exchange carrier debt, and is, therefore, not a meaningful proxy of ECs' borrowing costs. Nor does a bond yield for one month give an accurate rendering of the capital market worthy of initiating a represcription.

NECA believes that the semi-automatic triggering mechanism described above, which has been proposed by numerous other commenters, best meets the Commission's objectives of simultaneously reducing administrative burdens and accurately measuring shifts in the cost of capital for interstate access services.⁴²

⁴⁰ See Section IV.B. *infra*.

⁴¹ GSA at 8 and 10.

⁴² Bell Atlantic at 2, Centel at 2-6, Frederick & Warinner at 1, ~~Qwest at 14-16, Rochester at 14-16, SBA at 7, USTA at 11-12, and~~

IV.B. NECA Supports Commenters Proposing Cost of Debt and Capital Structure Calculations Based on BOC Form M Data.

A fundamental Commission objective in this proceeding is to reduce administrative burdens associated with representations. The work items most closely associated with generating burdensome work loads is the collection of data to calculate ECs' cost of debt, cost of equity and capital structure. One major simplification would be to minimize burdens associated with the actual data gathering for these calculations. The use of BOC Form M data simplifies the Commission's data gathering efforts while also providing the best information for rate of return representations.

NECA supports USTA's proposal to use BOC Form M data as the basis for representations of the unitary interstate access rate of return.⁴³ BOC Form M data can easily be used to calculate a composite BOC capital structure and composite BOC cost of debt for use in representations.⁴⁴ NECA recognizes that calculating the composite BOC cost of equity is more difficult. Since the appropriateness of applying a particular cost of equity methodology is likely to vary over time, NECA concurs with USTA's recommendation that the Commission should not adopt a specific methodology or methodologies for estimating the cost of equity in this proceeding.⁴⁵ The Commission should permit participants in a rate of return representation proceeding the latitude to present

⁴³ USTA at 58.

⁴⁴ *Id.*

⁴⁵ *Id.* at 47.

the methodology(ies) as the need for represcription arises.

V. NECA REMAINS WILLING TO ASSIST THE COMMISSION WITH ITS RATE OF RETURN DATA-GATHERING EFFORT.

NECA's Comments stated it is willing to serve, should the Commission decide that its assistance would be of value, in gathering data to be used with the rate of return triggering mechanism or represcriptions.⁴⁶ NECA tentatively agreed with the Commission that the proposed responsibilities could be structured so that they would minimally impact NECA's Category I operating expenses. NECA also stressed that it must rely exclusively upon publicly available BOC data and purchases of available data from outside the EC industry. NECA does not presently collect data from its members that could be used in the triggering or represcription processes.

NTCA stresses that "the Commission should proceed cautiously before requiring NECA to perform non-ministerial duties that might involve it in the exercise of discretion more appropriately left to the Commission or that might otherwise place NECA in a position of not being able to act as an agent of its members or of having to represent conflicting interests".⁴⁷

MCI believes NECA's participation could be a temporary one. Until the Commission determines which ECs should be required to participate and file data to be used with represcriptions, "the use of NECA as a data collection, processing and filing entity for the

⁴⁶ NECA at 5-6.

⁴⁷ NTCA at 7.

LECs in rescription proceedings appears to be a useful proposal".⁴⁸

USTA recommends that the Commission "should not mandate participation by any party. The Commission retains sufficient authority to request the raw data it may find necessary to assess the need for rescription".⁴⁹ Fred Williamson states that, if an industry-wide data gathering were necessary, it could be directly provided to the Commission, without third party intervenors.⁵⁰

Given the issues raised, NECA agrees that the duties assigned to it in this proceeding should be exclusively administrative, and that its participation should in no way limit any EC's ability to deal directly with the Commission. Should the Commission determine that NECA's participation is warranted, NECA would be willing to assist.

VI. CONCLUSION

NECA and numerous commenters endorse the Commission's review of the rate of return rescription procedures and support the continued use of the unitary rate of return based on Bell

⁴⁸ MCI at 23.

⁴⁹ USTA at 23. But see, SBA at 11 which supports NECA as a mandatory participant. SBA bases this recommendation on the assumption that NECA has the resources and information needed for calculating a rate of return. NECA has stated in its Comments that it does not presently collect the data necessary for the rate of return calculations. See NECA at 6.

⁵⁰ Fred Williamson at 7.

Operating Company data for total interstate access services. Modifications to the rate of return procedures recommended by NECA in its comments have also been supported by other parties and should be adopted by the Commission. These modifications include: the use of the tariff review and complaint processes as effective enforcement mechanisms; the authorized rate of return should be applied to all rate of return exchange carriers, including the NECA pools, on a total interstate access basis, and that a 100 basis point buffer zone and at least a two-year monitoring period should be incorporated into the revised rate of return rules.

NECA also supports the use of a semi-automatic trigger as described by USTA and believes that BOC Form M data should form the bases of cost of debt and capital structure calculations. NECA remains willing to assist the Commission with its rate of return data-gathering effort.

Respectfully submitted,

NATIONAL EXCHANGE CARRIER
ASSOCIATION, INC.

By 
Joanne Salvatore Bochi

Its Attorney

October 13, 1992

APPENDIX A

Commenting Parties on September 11, 1992, in addition to NECA, regarding the Commission's Notice in CC Docket No. 92-133:

ALLTEL Service Corporation (ALLTEL)
The Bell Atlantic Telephone Companies (Bell Atlantic)
BellSouth Telecommunications Inc. (BellSouth)
Casco Telephone Co. (Casco)
Central Telephone Company (Centel)
Cincinnati Bell Telephone Company (CBT)
Citizens Telephone Company (Citizens)
Community Service Telephone Company (Community Service)
Delhi Telephone Company (Delhi Telephone)
Fred Williamson & Associates, Inc. (Fred Williamson)
Frederick & Warinner
General Services Administration (GSA)
Hampden Telephone Company (Hampden)
LaHarpe Telephone Company, Inc. (LaHarpe Telephone)
Lexington Telephone Company (Lexington Telephone)
Ligonier Telephone Company (Ligonier)
MCI Telecommunications Corporation (MCI)
Mid-Iowa Telephone Co-op Association (Mid-Iowa Telephone Co-op)
National Telephone Cooperative Association (NTCA)
Nebraska Central Telephone Company (Nebraska Central Telephone)
Nicholville Telephone Company, Inc. (Nicholville Telephone)
Organization for the Protection and Advancement of Small Telephone Companies (OPASTCO)
Pacific Bell and Nevada Bell (Pacific Companies)

Roanoke and Botetourt Telephone Company (Roanoke and Botetourt)
Rochester Telephone Corporation (Rochester)
Rural Telephone Service Company, Inc. (Rural Telephone)
Scio Mutual Telephone Association (Scio)
Shenandoah Telephone Company (Shenandoah Telephone)
Southern New England Telephone Company (SNET)
Southwestern Bell Telephone Company (SWBT)
Topsham Telephone Co., Inc. (Topsham Telephone)
U S West Communications, Inc. (USWC)
United States Small Business Administration,
Office of Advocacy (SBA)
United States Telephone Association (USTA)
United Telephone Companies (United)
UTELCO, Inc. (UTELCO)
Van Horne Coop. Telephone Company (Van Horne Coop.)
Wisconsin State Telephone Association